

# **FY 2014/2015-2019/2020 CAPITAL IMPROVEMENT PROGRAM REVIEW**

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**TO:** Lincoln/Lancaster County Planning Commission

**FROM:** Sara Hartzell, Planning Department

**SUBJECT:** FY 2014/15 - 2019/20 Proposed Capital Improvement Program

**DATE:** April 23, 2014

**COPIES:** Mayor Beutler, Mayor's Capital Improvement Advisory Committee

**MEMO ONLY:** City Directors, City Budget Office

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This memorandum and accompanying document represent the Planning Commission Review Edition of the City of Lincoln's FY 2014/15 - 2019/20 Capital Improvement Program (CIP). *(The Planning Commission Review Addition is available online at <<http://www.lincoln.ne.gov> >*  
*Keyword: cip. The Capital Improvements Program GIS Viewer is also available online at the following link: <http://lincoln.ne.gov/gis/gisviewer/index.html?config=cip.xml> )* The proposed CIP will be discussed at the scheduled Planning Commission briefing on Wednesday, April 30, 2014. A special hearing of the Planning Commission where a finding of conformity will be made by the Planning Commission is scheduled for Wednesday, May 7, 2014.

This memorandum is divided into the following two major sections: (I) Background and Introduction, including consideration of the City Charter specified tasks of the Planning Commission in review of the proposed CIP, and review of other factors regarding the development of the proposed CIP; and, (II) Capital Improvements Program Departmental Review, including a department by department examination of projects and Comprehensive Plan conformity.

## **Section I. BACKGROUND AND INTRODUCTION**

This section of the memorandum considers a range of topics relating to the City's CIP review procedures. These topics are as follows:

- A. Planning Commission CIP Review Requirements
- B. Conformity Standards and Criteria
- C. Capital Improvements Definition
- D. CIP Relation to TIP
- E. General Obligation (GO) Bonds
- F. Project Scheduling

## A. Planning Commission CIP Review Requirements

In accordance with Article IX-B, Section 7, of the Lincoln Charter, <http://lincoln.ne.gov/city/attorn/lmc/charter.pdf>, city departments and agencies have submitted their six-year capital improvement requests to the Planning Director for compilation into the attached CIP document. **The Planning Commission's task is to now review these individual capital requests to determine their conformity with the approved Comprehensive Plan.** Your comments will then be forwarded to the Mayor's Capital Improvement Advisory Committee (CIAC), and then to the City Council for consideration during their upcoming budget deliberations.

The City Charter's discussion of Comprehensive Plan conformity relative to the capital improvement program is twofold. First, on several occasions the Charter stresses the importance of ensuring that Comprehensive Plan conformity is determined before capital projects are approved by the City Council. One entire section of the Charter (i.e., Article IX-B, Section 6) deals exclusively with this issue. It states in part,

"No ordinance, or resolution, which deals with the acquisition, extension, widening, narrowing, removal, vacation, abandonment, sale or other change relating to any public way, transportation route, ground, open space, building or structure, or other public improvement of a character included in the comprehensive plan, shall be adopted by the council until such ordinance or resolution shall first have been referred to the planning department and that department has reported regarding conformity of the proposed action to the comprehensive plan."

The section goes on to outline procedural steps and time lines for fulfilling this requirement. (Please note that the Charter defines the term "planning department" as including the Commission, Planning Director and staff).

While this directive is echoed throughout various portions of the Charter, it is mitigated by the procedural condition that the Planning Commission's conformity finding is merely advisory. Regardless of the Commission's recommendation, the City Council can approve -- through ordinance or resolution -- any capital improvement, provided that other Charter budgetary requirements and processes are met.

In addition, while the Charter calls for a six year capital improvement program, the City Council only approves a two year capital budget. Although it is designed to express the City's longer term capital funding intent, the CIP document is never adopted in full. (The City Charter recently was amended to enable adoption of two-year budgets.)

This is not, however, to suggest that the Commission's findings on the remaining years of the CIP are not without significance. Projects in the third through sixth years that have been reviewed for conformity may be added to the Council's Capital Budget by amendment, later in the first or second year. Concerns raised about projects in the third through sixth year are used by elected officials and staff in the formulation of future CIPs and other departmental level

capital programming documents. The private sector considers the CIP in making investment and development decisions.

Also, as discussed later in Section 1.D of this report, revised Federal guidelines now require that projects included in the local area Transportation Improvement Program (TIP) be consistent with the region's Long Range Transportation Plan (LRTP). This adds substantial meaning to the Commission's findings of conformity for transportation projects since many CIP projects are included in the local MPO and State TIP for Federal planning and funding purposes. If a project is determined to be "not in conformance," Federal standards will require that it be dropped from the TIP until the project is modified and its status changed to be in conformance, or the LRTP is amended to incorporate the project.

## **B. Conformity Standards and Criteria**

The City Charter provides only minimal guidance to the Planning Commission and staff in judging Comprehensive Plan conformity. Specifically, the Charter states that the CIP document "...shall describe the **character and degree of conformity and nonconformity** of each project as it relates to the comprehensive plan."

At various places within the Charter this mandated review is asserted including "special report" provisions when capital projects are brought forth by a department independent of the regular capital improvement programming process. However, throughout the Charter's discussion on the CIP and its review and approval process, no additional standards or criteria are articulated to assist in concluding Comprehensive Plan conformity.

Historically, the Planning Commission and planning staff have utilized a four tiered system in defining "character and degree of conformity or nonconformity:"

- In Conformance with Plan
- Generally Conforms with Plan
- Not In Conformance with Plan
- Not in Plan

The range of factors that is used by staff in formulating a recommendation of conformity or nonconformity generally includes:

**Explicit Reference and Plan Intent** - Many of the projects proposed in the CIP are explicitly identified in the Comprehensive Plan, either on a map and/or in the text. In such cases, a finding of Plan Conformity -- assuming other criteria are met -- is easily established. An even larger number, however, are not shown, but their desirability, and thus assumed conformity, is implied. For example, the Comprehensive Plan does not get into such detail as the installation of a water fountain or play equipment in a specific City park. The park may be shown on a map in the Plan and the intent of maintaining such a park is implicit in the Plan's goals and textual descriptions. Thus, at a minimum, a finding of general conformity would be proposed.

**Location** - The vast majority of capital improvements are site specific. Streets, water mains, fire stations, and sewer treatment facilities are all examples of capital projects where an expressed location can be determined. Firefighting equipment, on the other hand, is mobile and its use cannot as easily be tied to a physical site within the City.

The importance of location as a criterion has increased as we attempt to be more explicit in how we show public improvements in the Comprehensive Plan. In most cases, it is extremely helpful to have this level of detail for purposes of comparison. Conversely, such detail can become a liability as the exact location and dimensions of many capital improvements are justifiably altered as a project is refined for eventual construction.

A further element of judgement is then introduced as to the "degree" to which a proposed project may vary from how it is shown or described in the approved Plan. Is the proposed project in the exact location expressed in the Plan? If not, how and why is it different? And is that difference significant enough to render it "Not in Conformance" with the Plan? Or was some degree of modification of such a project implied (i.e., accepted) as part of the Plan's approval?

**Size, Scale and Scope** - The Plan's descriptions of capital projects can vary from the very explicit (i.e., four through lane roadway, left turn lanes, raised medians, 100 ft. ROW), to the very general (i.e., a community park within a sector of the city.) Once again, as the Plan becomes more detailed, those charged with the responsibility of recommending findings of Plan conformity will find both benefits and liabilities in the Plan's level of specificity.

**Timing** - With the incorporation of the phasing element (Tiers) into the Plan, the issue of when a public capital improvement is brought forward for development becomes increasingly significant. The availability of public infrastructure (e.g., sewer services, roads, water, and fire protection) plays a pivotal role in determining where and when private capital investment might occur. Added to this is the lengthy lead time often needed in planning for and constructing public improvements.

If a department proposes a project that explicitly varies from a development schedule outlined in the Plan, then a status of "Not in Conformance" is implied. Where such information is less explicit (i.e., no detailed schedule is included), then the timing issue must be related to the phasing plan and the project's impact on maintaining the integrity of that element of the Comprehensive Plan.

**Project Definition and Description** - A last factor used in reviewing Plan conformity is the representation that the department makes of the specific project. This is typically done within the CIP in the project title and the project description. This, in combination with information such as that outlined above, helps the reviewer form a broader understanding of the content and context of the proposed capital improvements. This in turn can be used in assessing conformity with the policies and directives contained in the Comprehensive Plan.

### **C. Capital Improvements Definition**

In preparing the CIP, the City Charter defines "*capital improvements*" as consisting of the following:

"...the acquisition of real property; the acquisition, construction, reconstruction, improvement, extension, equipping, or furnishing of any physical improvement, but not routine maintenance work thereon; and equipment with a probable useful life of fifteen or more years."

This definition has served as the basis for the development of the attached CIP document. The term "Fiscal Year" (FY) as used in this document refers to the City's fiscal year that runs from September 1st through August 31st of the following year. There may be exceptions to the probable useful life measure when dealing with Federal funding guidelines and the need to include such purchases in local planning documents.

### **D. CIP Relation to TIP**

Federal regulations require the development of a "Transportation Improvement Program" (TIP) for metropolitan areas such as Lincoln. Similar in character to the City's CIP, the TIP is a multi-year, capital improvement programming document. It is used to help coordinate the implementation of transportation projects within metropolitan planning areas (MPA). The Lincoln TIP, for example, includes transportation projects for various levels of government (i.e., Federal, State, County, City), and for various modes of transportation (i.e., streets, airport, pedestrians, bicycles, transit services). It also serves as input into the State's TIP (STIP) that is used to coordinate transportation improvements for the entire State of Nebraska.

In years past, projects from the City's CIP have been incorporated into the Lincoln TIP following adoption of the CIP by the Council. Because of changes in Federal public involvement regulations and the desire locally to ensure that projects are properly coordinated between the two programming documents, it was decided several years ago that the two processes (i.e., formulation of the CIP and TIP) should be coordinated and processed in similar timeframes.

In accordance with Federal guidelines, it is also noted that the TIP will continue to be developed annually while the City's CIP is now on a two-year budget cycle. The TIP covers four fiscal years (FY 2015-2018), rather than six years like the CIP.

### **E. General Obligation (GO) Bonds**

The City has historically used General Obligation (GO) bonds as one of several methods for financing capital improvements. The care used by past administrations and City Councils in going to the electorate with GO bond requests has been reflected in the relatively high approval rate we've experienced for such financing.

A relatively common funding source for City capital projects is the "general obligation (GO) bond." Unlike certain other forms of bonds, the City Council and Mayor cannot unilaterally issue GO bonds. The issuance of GO bonds is dependent upon the prior approval of the electorate of Lincoln. To eliminate the expense of a special election, GO Bonds may appear in any year for which a regularly scheduled election is planned. Since the process of election, issuance of bonds, and the beginning of a project is likely to take several months, the Fiscal Year in which the bond election is held may not be the same year that the project is started.

#### **F. Project Scheduling**

Project information included in the CIP typically indicates a project number and an associated fiscal year. The fiscal year designation should not be taken as an automatic indicator of when a particular facility will be finished and opened for public use. In certain cases, large scale capital projects take years to complete. The reader should consult the more detailed activity information contained on the Summary of Department Projects report for a better indication of exactly when a particular capital project is likely to be completed. And even with this, be aware that other scheduling contingencies may occur that can alter the management and completion of the project.

## **Section II. CAPITAL IMPROVEMENTS PROGRAM DEPARTMENTAL REVIEW**

This memorandum presents a department by department review of capital programs for the FY 2014/15-2019/20 time period. This includes a general staff discussion of recommended Comprehensive Plan conformity status for each department. The actual project-by-project recommendations will be identified in the detailed Project Summary report by department in the CIP document and will be used by the City Council for consideration during the budget process. As with past CIP reviews, the four categories of conformity status mentioned earlier are used in this year's CIP development.

In the CIP document, Table 1 displays the total proposed capital funding by departments over the six-year programming period. Total dollar amounts by funding source are shown in Table 2. General Revenue funding use is presented in Table 3, while projected General Obligation (GO) bonds are presented in Table 4. After these Tables, detailed project summaries by department are provided.

This year's CIP totals nearly \$944 million in projects for all departments using various funding sources. This amount is larger than last year's CIP which amounted to nearly \$794 million in projects.

The balance of this memorandum considers the requested six year capital programs of each department. They are presented below in the same order as in the draft CIP document that is included with this memorandum.

**A. FINANCE DEPARTMENT**

The Finance Department's capital improvements program submittal this year reflects the sun setting of Pershing Auditorium. Pershing Auditorium's proposed capital improvements program includes funding for the demolition of the structure, including remediation of asbestos and the possible salvage of some building materials and/or features of the structure.

*The Pershing Auditorium CIP project is found to be in general conformance with the Comprehensive Plan.*

**B. PUBLIC SAFETY PROGRAM**

**1. Lincoln Police Department**

(The 911 Communication Department has been fully integrated into the Lincoln Police Department and is included in this CIP) The proposed capital program for the Police Department involves five projects – a study for a new Team Assembly Station to be collocated with the Lincoln Fire and Rescue Station 12 relocation in south Lincoln and construction of that facility, construction of a new LPD Garage-Maintenance & Repair Facility, a new P25 Radio System upgrade, and a relocation and expansion of the Emergency Communications 911 Center. The radio upgrade project is the first of a proposed series of Public Safety Bond Issues planned to go before voters in FY 14/15, FY 16/17, and FY 18/19. The Team Assembly Station Collocated with LFR Station 12, Phases I and II, is slated to be part of the Public Safety Bond Issue in FY 16/17 along with all the LFR projects listed below. The Garage-Maintenance & Repair Facility Phases II-V, and the Emergency Communication 911 Center project are planned for the final of the series of bond issues in FY 18/19.

*All of the projects included in the Lincoln Police Department CIP are found to be in general conformance with the Comprehensive Plan.*

**2. Fire & Rescue Department**

Lincoln Fire and Rescue Department's proposed CIP submittal includes six projects. These projects involve two new fire stations, two relocated fire stations (one to be a collocated station with an LPD Team Assembly station), a general fire station modification and repairs program, and the use of the Municipal Services Center for training and administrative needs. Five of the projects (Station 10 Relocation, Fire Station Modifications and Repairs, Station 12 Relocation, New Station 15, and New Station 16) are proposed to be part of the second of a proposed series of Public Safety Bond Issues planned to go before voters in FY 14/15, FY 16/17, and FY 18/19. The use of GIS technology to study response times and the number and locations of future stations helped determine the need for these projects. The MSC Fire Renovation project is planned to use Lease Purchase Financing in FY 16/17 as part of subsequent phases of the build out and use of the Municipal Services Center.

*All of the projects included in the Fire Department's CIP are found to be in general conformance with the Comprehensive Plan.*

### **C. LINCOLN CITY LIBRARIES**

The Lincoln City Libraries program includes eight projects in the six year CIP. The largest single project in the Library program is the proposed replacement of the Bennett Martin Library with a new Headquarters Library in FY 19/20 using a planned General Obligation bond issue and Other Financing likely to include private funds. Using General Revenue funding, needed roof and carpet replacement at Anderson Branch is planned, along with Roof Replacement at Gere Branch in FY 14/15. General Revenues will also be used to replace carpeting at Gere Branch and the Bethany Branch roof in YR 15/16. Needed heating/cooling and carpet replacement projects in Bennett Martin Library are slated for FY 16/17.

*All of the projects included in the Library CIP are found to be in conformance or in general conformance with the Comprehensive Plan.*

### **D. LINCOLN ELECTRIC SYSTEM**

The Lincoln Electric System's proposed \$282 million capital program embodies a substantial investment in electrical power supply and distribution for the community over the six-year period. This investment is more than last year's LES program by approximately \$43 million due mainly to this year's program including funds for a new Service Center in the southern area of the City and more funding for generation. This year's program plans for 12,000 new customers over the 6 year period. Underground distribution, with the majority going to new residential and commercial development, new transformers and meters, extensions, rebuilds, relocations, and power supply investment in the Laramie River Station account for the largest portions of the program. Attention is being paid to replacement of aging transformers and addition of transformers to existing substations.

*The Lincoln Electric System CIP is found to be in general conformance with the Comprehensive Plan.*

### **E. URBAN DEVELOPMENT**

The Urban Development Department's proposed CIP includes nine projects totaling over \$8.5 million over the six-year period. Funding for the program consists of Community Improvement Financing (Tax Increment Financing), Community Development Block Grants, General Revenue funds, and User Fees. Public parking program projects (ongoing repairs, lighting and elevator improvements, and new facilities) comprise a majority of Urban Development's CIP. Also included in the Urban Development Department's capital program in the first year are the 11<sup>th</sup> Street Corridor project, 8<sup>th</sup> Street Improvements, Downtown Lighting Project, and Primary and Secondary Retail Corridor Improvements (P Street improvements). Ongoing annual efforts included are the Low-Moderate Income Area Park Improvements program and the Downtown Street Tree Replacement program.

*The Urban Development CIP is found to be in general conformance with the Comprehensive Plan.*



## **F. PARKS AND RECREATION**

Proposed capital improvements to the City's parks and recreation system are projected to cost \$73 million over the six-year period. General Obligation (GO) bonds, general revenue, Keno funds, impact fees, tennis fees, and the Parks & Rec repair/replacement fund account, federal program funds, other financing (grants, donations, Lincoln Cares program, Two for Trees, and other sources) and unknown funding provide the majority of funds programmed for the CIP. Funds from private sources are also being shown for a substantial portion of the six year improvement program. The current level of funding for Parks & Recreation does not fully support the needs for repair and replacement of existing park facilities and development of new and improved facilities to meet the need of community growth. An additional \$3 million per year shown in the Repair and Replacement and Select New Facilities project would fund repair and replacement needs based on life-cycle cost estimates, upgrade and improvement of major facilities and needed new facilities. At this time the source of this additional funding has not been identified. A general obligation (GO) "Quality of Life Bond Issue" request amounting to \$19.9 million is planned for FY 19/20 for various improvements to the Parks & Recreation system. Should the additional funding mentioned above be secured, the size of this bond request would likely be reduced.

*The Parks & Recreation CIP is found to be in full or general conformance with the Comprehensive Plan.*

## **G. PUBLIC WORKS AND UTILITIES**

The Public Works and Utilities Department's capital program includes projects for eight divisions: (1) StarTran; (2) Streets and Highways; (3) Broadband Infrastructure; (4) Watershed Management; (5) Street Maintenance Operations; (6) Water; (7) Wastewater; and (8) Solid Waste Operations.

### **1. StarTran**

StarTran's six-year, \$11.9 million proposed capital improvement program is funded largely through Federal transportation funding with \$8.0 million in funds, with the balance coming from City General Revenue funds and Special Reserves. The bulk of this capital program comes from the accumulation of funds for the replacement of 13 buses in FY 16/17, and the replacement of 15 buses in FY 18/19. No General Revenue funds are programmed in the first two years of this CIP.

*The Star Tran CIP is found to be in full or general conformance with the Comprehensive Plan.*

### **2. Streets and Highways**

The Streets and Highways capital program proposed by Public Works & Utilities identifies a program totaling \$244 million over the six year programming period, an increase of approximately \$60.5 million from last year's CIP. These projects range from resurfacing

projects to pedestrian facilities to system management programs to the construction of major new roadway facilities.

With the adoption of the 2040 Comprehensive Plan in October of 2011, a list and map of street projects and programs were included as part of the new Plan. The “Streets and Highways” CIP submittal has been closely coordinated with the 2040 Comprehensive Plan which was used in determining Comprehensive Plan conformity. The 2040 update of the Comprehensive Plan along with the fiscally constrained 2040 Long Range Transportation Plan included changes in the priorities of the transportation plan compared to the 2030 Comprehensive Plan. These changes are acknowledged in the capital programming for this six year program.

A variety of Federal, State and City revenues are utilized to fund the Streets and Highways program, including Impact Fees, City Wheel Tax revenues, State Highway Allocation gas tax funds, Railroad Transportation Safety District funds, and Federal transportation funds. The Public Works & Utilities Department anticipates project costs to increase faster than revenues over the next six years that will reduce the City’s ability to meet the needs of the transportation system. However, during the FY 2012 budget process, the Mayor and City Council agreed to increases to the City’s Wheel Tax rates that increased funding for the Streets program. Also, the State Legislature during its 2012 session approved the LB-84 Build Nebraska Act that directed existing State sales tax revenues toward the State roads program. This additional funding on the State level will allow for the statewide expressway program to be continued including \$160 million for the South Beltway in Lincoln. This additional funding will also add to the Highway Allocation State gas tax revenues by dedicating a smaller amount of funding to local governments including the City of Lincoln for local transportation needs.

In conformance with the 2040 Transportation plan, the additional City Wheel Tax revenue is allowing for more investment in the Residential Rehabilitation and Intersection Improvement program, in the arterial Roadway and Bridge Rehabilitation program, and in the highest priority new street construction projects in this year’s CIP. One program that is receiving additional funding in this year’s CIP is the Sidewalk Maintenance and Repair program. The new Transportation Plan identifies finding additional funding for this program as a priority. Starting in Year 1 of this program, additional funding has been programmed to the amount of \$1 million annually. However, even with additional funding in this CIP, some of the on-going traffic signal, arterial and residential street rehabilitation, new street, and sidewalk rehabilitation needs are not being fully funded in this 6 year CIP. As a result, a new project is in this year’s Streets and Highways CIP that identifies this need for additional funding from a potential new funding source. This project is using an “Unknown” funding source at this point as it is not determined where the additional funds would come from at this time, but it is planned to provide \$7 million annually for streets and \$2 million annually for sidewalks beginning in Year 2 of the program.

Notable projects in the first two years of the program include funding for the arterial Roadway and Bridge Rehabilitation and Residential Rehabilitation & Intersection programs, the improvement of Yankee Hill Road from 70<sup>th</sup> to Highway 2, significant pedestrian improvements related to new Lincoln Public School sites in southeast Lincoln, use of federal funding in Year 1 to help the State complete its I-80 widening project in Lincoln that then provides a credit to Lincoln for its share of the South Beltway project in Year 6, completion of funding for the NW

48<sup>th</sup> Street widening project from O Street to Adams Street, beginning funding for widening Pine Lake Road from 61<sup>st</sup> to Highway 2, Traffic Optimization and Management Program projects, Safety and Operation Improvement Program projects, Sidewalk Maintenance and Repair Program projects, and impact fee funding for various arterial street projects within impact fee districts. Included in Impact Fee District 6 are segments of Rokeby Road from 40<sup>th</sup> to 48<sup>th</sup> and from 70<sup>th</sup> to 84<sup>th</sup> as eligible for use of impact fee revenues for design and construction of improvements.

*Projects in the Streets and Highways CIP are found to be in full or general conformance with the Comprehensive Plan.*

### **3. Broadband Infrastructure**

The Broadband Infrastructure section of the CIP is appearing for the first time this year. Broadband Infrastructure covers City projects to replace update and expand in support of the Lincoln Technology Improvement System. Examples of projects include new and updated backbone conduit, innerduct, manholes, handholds, fiber optic cables and other equipment. The facilities are intended for public and private use. The funding source for these projects has not been identified.

*Projects in the Broadband Infrastructure CIP are found to be in general conformance with the Comprehensive Plan.*

### **4. Watershed Management**

The proposed Watershed Management CIP contains approximately \$28.3 million in improvements over the six year period. The passage of three general obligation (GO) bond issues (in FY 2015/16, FY 2017/18, and FY 2019/20) constitute the bulk of the funding for these improvements. The remaining watershed management funding includes Other Financing. Projects include Water Quality Projects, Stream Rehabilitation on Parks Property, Floodplain/Floodprone Area Engineering Projects, Urban Storm Drainage Projects, Implementation of Watershed Master Plan Projects, and the continued development of Comprehensive Watershed Master Plans.

*The Watershed Management CIP is found to be in full or general conformance with the Comprehensive Plan.*

## **5. Street Maintenance Operations**

The Street Maintenance Operations CIP includes a New Portland Cement Silo at 3200 Baldwin Ave. in FY 2012/13, Fleet Services Shop bridge crane in FY 2015/16, and replacement of existing Gasboy Fuel Management system in 2016/17, all using General Financing. Additional General Financing is used for a Master Planning Study for a common use maintenance facility in the southern part of the City which may be shared with one or more City divisions. A regular Facility Repairs program is planned for each year using a combination of General Financing and Other funds. This program would maintain and repair the 3200 Baldwin Street and 3180 South Street facilities as well as the Municipal Services Center.

*The Street Maintenance Operations CIP is found to be in general conformance with the Comprehensive Plan.*

## **6. Water Supply and Distribution**

The proposed Lincoln Water System CIP contains approximately \$101.7 million in water supply, treatment, storage and distribution improvements over the six-year period. This is a higher total amount compared to last year's CIP by \$25.1 million. Included in this year's submittal are projects intended to enhance water services to the existing City, while others will serve developing areas of Lincoln. The CIP has been prepared based upon information and recommendations contained in the 2040 Comprehensive Plan and the Lincoln Water System Facilities Master Plan. Funding sources for projects include Revenue Bonds, Utility Revenues, and Impact Fees. This proposed CIP assumes a 3% increase in water utility revenues in the first two years and a 5% increase in each year of the program thereafter.

Continued in this year's program is general programming of projects intended to serve growth in the community. A total of \$10.3 million in Utility Revenues is programmed for specific improvements associated with new growth in the 6 year CIP period. And additional \$9.3 million is shown for projects that may not have been identified as yet, or may be identified as having a "To Be Determined" funding timeline. Specific programming of funding for these projects will be identified as planning and need become more apparent in future years. Of the above mentioned \$9.3 million, \$250,000 per year is designated for an economic development project fund. To help meet the continuing growing need to replace the aging water main system, the Selected Main Replacement program is funded over the 6 year program at \$32.3 million, with \$4.3 million and \$4.6 million respectively in the first two years. Similarly, the Infrastructure Rehab program that funds needed maintenance of Water System facilities is funded at \$1.3 million and \$2.2 million in the first and second years of the program, and \$10.7 over the 6 years of the program. Specific developer commitments are identified and funded in the program per annexation agreement requirements as well.

*The Water Supply and Distribution CIP is found to be in general conformance with the Comprehensive Plan.*

## **7. Wastewater**

The proposed Lincoln Wastewater CIP contains approximately \$67.7 million in projects, encompassing both the Theresa Street and Northeast Treatment Plants, construction of new sanitary sewer mains, and the selective replacement of existing mains over the six-year period. This amount is higher than last year's program by about \$13.9 million. The CIP has been prepared based on information and recommendations contained in the 2040 Comprehensive Plan and the adopted Lincoln Wastewater Facilities Master Plan. Funding sources for projects include Revenue Bonds, Utility Revenues, and Impact Fees. This proposed CIP assumes a 3% revenue increase in wastewater utility revenues in the first two years and 5% in each subsequent year of the program.

Continued in this year's program is more general programming of projects intended to serve growth in the community. A total of \$10.6 million in Impact Fees, Revenue Bonds and Utility Revenues is programmed for these projects in the 6 year period, \$250,000 of which is specified each year for an economic development fund. Specific funding for projects is identified for those with a construction date already determined, and will be identified as planning and need become more apparent in future years for project that are yet to be determined. To help meet the continuing growing need to replace and repair the aging wastewater equipment, facilities, and collectors, the Selected Repair/Replacement of Wastewater Facilities/Collectors program is funded at \$10.7 million over the 6 years of the program. Of note are anticipated NPDES Nutrient Removal studies at both Theresa Street and the Northeast Treatment Plants in the later years of the CIP. With this CIP, all developer commitments through annexation agreements are being met.

*The Wastewater CIP is found to be in full or general conformance with the Comprehensive Plan.*

## **8. Solid Waste Operations**

Proposed capital improvements for the Solid Waste Operations program include projects related to the Bluff Road Sanitary Landfill, the North 48th Street Landfill and Transfer Station, and the Solid Waste Management System. The CIP totals approximately \$16 million over the six-year period which is a decrease of almost \$10 million from last year.

Notable projects include liner and leachate collection systems for new phases and final caps for older phases of the Bluff Road landfill, Access Roadway Repair, Maintenance Building Expansion and Site Maintenance at the Bluff Road Landfill, Recycling Drop-off Maintenance and Improvements, closure of the North 48<sup>th</sup> Street landfill and a study of a possible new Waste Transfer/ Eco Park as recommended by the Solid Waste Master Plan Advisory Committee.

*The Solid Waste Operations CIP is found to be in general conformance with the Comprehensive Plan.*